



DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RTID 0648-XC023

Fishing Capacity Reduction Program for the Southeast Alaska Purse Seine Salmon Fishery

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration, Commerce.

ACTION: Notice of fee rate adjustment change.

SUMMARY: NMFS issues this notice to inform the public that there will be an increase of the fee rate required to repay the reduction loan financing the Southeast Alaska Purse Seine Salmon Fishing Capacity reduction program. Effective June 1, 2022, NMFS is increasing the Loan B fee rate to 2.5 percent of landed value to ensure timely repayment of the loan. The fee rate for Loan A will remain unchanged at 1 percent of landed value. The increased fee rate is due to the decrease in projected value of the Southeast Alaska Purse Seine Salmon catch for 2022.

DATES: The Southeast Alaska Purse Seine Salmon Fishing Capacity loan program fee rate increase will begin with landings on June 1, 2022. The first due date for fee payments with the increased rate will be July 15, 2022.

ADDRESSES: Send questions about this notice to Michael A. Sturtevant, Program Manager, Financial Services Division, National Marine Fisheries Service, 1315 East-West Highway, Silver Spring, MD 20910-3282.

FOR FURTHER INFORMATION CONTACT: Michael A. Sturtevant, (301) 427-8782.

SUPPLEMENTARY INFORMATION:

Background

The Southeast Alaska Purse Seine Salmon Fishery is a commercial fishery in Alaska State waters and adjacent Federal waters. It encompasses the commercial taking of salmon with purse seine gear and participation is limited to fishermen designated by the Alaska Commercial Fisheries Entry Commission (CFEC).

The Fishing Capacity Reduction Program was established under the Consolidations Act of 2005 (Section 209 of Title II of Division B of Public Law 108-447). This Federal law was subsequently amended by Section 121 of Public Law 109-479 (the Magnuson-Stevens Reauthorization Act of 2006) codified at 16 U.S.C. 1801 *et seq.* The authority for the SRA to conduct this program under Alaska law is AS 16.40.250.

Based on these Federal and state measures, the NMFS established regulations in the **Federal Register**, (76 FR 61986; October 6, 2011), to administer and implement the program.

The purpose of the program and this plan is to permanently reduce the number of limited entry fishing permits issued by the Alaska Commercial Fisheries Entry Commission (CFEC) for the Fishery thereby promoting economic efficiency and improving the conservation and management of the Fishery.

Congress authorized a \$23.5 million dollar loan to finance a fishing capacity reduction program in the Southeast Alaska Purse Seine Salmon Fishery. NMFS published proposed program regulations on May 23, 2011 (76 FR 29707) and final program regulations on October 6, 2011 (76 FR 61986) to implement the reduction program.

In 2012, NMFS conducted a referendum to determine the remaining fishermen's willingness to repay a \$13.1 million fishing capacity reduction loan to remove 64 permits. After a majority of permit holders approved the loan, NMFS disbursed payments to the successful bidders and began collecting fees to repay the loan. Since only \$13.1 million was expended from the total loan amount, \$10.4 million in funds remained available.

In 2018, the SRA informed NMFS that they wished to access the remaining loan amounts to undertake a second buyback. To implement this next buyback, the SRA, on behalf of the reduction fishery, was required to draft and submit a reduction plan to NMFS. On June 21, 2018, the SRA submitted a reduction plan to access \$10.1 million of the remaining \$10.4 million in funds to remove 36 permits. NMFS approved the proposed second fishing capacity reduction plan in November 2018.

NMFS published a notice of eligible voters on December 3, 2018 (83 FR 62302) informing the public of the permanent permit holders eligible to vote in the referendum and informing the eligible voters of the referendum voting period.

Purpose

The purpose of this notice is to announce the current fee rates for the reduction fishery in accordance with the framework rule at 50 CFR 600.1013(b). Section 600.1013(b) directs NMFS to recalculate the fee to a rate that will be reasonably necessary to ensure reduction loan repayment within the specified 40-year term.

For the 2022 fishing season, the fee rate for both Loan A and Loan B was one percent of the landed value and any subsequent bonus payment. Loan A is currently 13 years ahead of the scheduled amortization and will remain well ahead so we are leaving the rate at 1 percent of gross value of salmon sold. Loan B is 1.5 years behind the scheduled amortization and currently owes more than the original loan amount. Beginning June 1, 2022, the Loan B fee rate will be increased from 1 percent to 2.5 percent of gross value of salmon sold and is projected to be current at the end of the 2022 season.

Fish buyers may continue to use *Pay.gov* to disburse collected fee deposits at: <http://www.pay.gov/paygov/>. Please visit the NOAA Fisheries Web site for additional information at: <https://www.fisheries.noaa.gov/alaska/funding-and-financial-services/southeast-alaska-purse-seine-salmon-fishery-buyback-program>.

Notice

The new fee rate for the Southeast Alaska Purse Seine Salmon Fishery will begin on June 1, 2022.

From and after this date, all subsector members paying fees on the Southeast Alaska Purse Seine Salmon Fishery shall begin paying program fees at the revised rate.

Fee collection and submission shall follow previously established methods in § 600.1013 of the framework rule and in the final fee rule published in the **Federal Register** on October 6, 2011 (76 FR 61985).

Authority: 16 U.S.C. 1861 *et seq.*; Pub. L. 108-447.

Dated: May 9, 2022.

Brian T. Pawlak,

Chief Financial Officer/Chief Administrative Officer, Director,

Office of Management and Budget,

National Marine Fisheries Service.

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